



ANNUAL REPORT

**For the Year Ended
30 June 2015**

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Government of South Australia
Arts SA



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LETTER OF TRANSMITTAL

21 April 2016

The Hon. Jack Snelling, MP
Minister for the Arts
GPO Box 2555
Adelaide SA 5001

Dear Minister

It is with pleasure that Windmill Theatre submits its 2014-15 Annual Report for your review. The report is presented in accordance with our letter of agreement with Arts SA, the regulations under the *Public Corporations Act 1993*, No 23 of 2001 and the *Public Finance and Audit Act 1987*. We apologise for the delay in delivery, which is due to the timing of the audit.

Windmill Theatre has established itself both nationally and internationally as a producer of high quality work created especially for young audiences. This year's program included critically acclaimed sell out seasons in Adelaide, New York and Hong Kong, all of which have enhanced the company's outstanding reputation, highlighted our State's brand and provided wonderful global opportunities to our creative teams and artists.

The company has continued to invest in national and international market development, attending arts markets including APAM and the invitation-only IPAY to profile work, network with presenters and develop dialogue with international artists regarding exchange and collaboration.

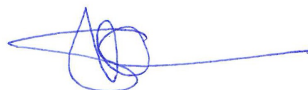
Earlier in 2015 the company reached another momentous milestone, eclipsing 500,000 children and families that have attended a Windmill show worldwide. Since 2002, the company has performed 56 works, including 27 new commissioned works, and undergone 55 regional, national and international tours taking in 38 cities across eight countries, representing 2,400 individual performances

The Adelaide program included the presentation of two premieres; our new work for under fives, *Grug and the Rainbow*, presented over two weeks at the Festival Centre, and a superb work for primary aged children, *The Ballad of Pondlife McGurk*, presented in Adelaide at Tandanya and the Adelaide Hills. The Company's educational focus continues to be a high priority, especially in developing new and expanded relationships with teachers and students.

The Company has invested in its expansion into the medium of film and produced its first feature, directed by our Artistic Director Rosemary Myers, in record time. The film production added to our annual program of work and has resulted in significant employment of Australian artists and creative talent, engaging over 130 individual cast and crew. While the film investment had its financial challenges, due to majority of costs being incurred in the 2014-15 year, we remain confident of the rewards to be reaped in the 2015-16 year after its October premiere at the Adelaide Film Festival. In the interim, the Company maintains strong reserves whilst still focussing on the delivery of an excellent and broad-ranging program.

Highlights for this year also include winning several key awards, including two national Helpmann Awards for *Pinocchio*: Best Presentation for Children and Best New Australian Work and four nominations including Best Direction of a Musical, Best Scenic Design, Best Original Score and Best Lighting Design; a South Australian Ruby Award nomination for Best Work: *The Trilogy*; an Australian Writers Guide nomination for *Girl Asleep*: Theatre for Young Audiences for Matthew Whittet and a Sydney Theatre Award nomination for *Pinocchio*: Best Production for Children. This, together with its upcoming invitations to tour extensively around Australia and overseas in the immediate future, has made for another exceptional year.

Yours sincerely,

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a horizontal line.

Sandy Verschoor
General Manager and Producer

CHAIR'S REPORT

Throughout the 2014-15 year, Windmill continued to build on its national and international reputation as one of the pre-eminent theatre companies focused on children, young people and families.

As a medium sized arts company creating work for these markets, Windmill operates in an increasingly challenging environment. Windmill's focus on the delivery of excellence in the experiences it provides to its audiences remains the best strategy to ensure it continues to remain a relevant and vibrant contributor to the sector. The completion of its first feature film and the opening up of new international markets are examples of how the Company is evolving, while also continuing to meet the needs of all stakeholders.

The success of Windmill is only possible through the support of many partners, but most significantly the South Australian State Government. In addition to its direct financial contribution, the continued provision of an Arts Education Manager via the Department for Education and Child Development supports a key plank of the Company's strategy by enabling the engagement of students directly with Windmill's work. The Company recognises the importance of leveraging this investment of public funding and was successful in increasing the level of private grants it secured in 2014-15. This is a notable achievement and remains a focus for the Company looking forward.

The past year also saw the retirement of board members Ginger Fitzpatrick, David Spear, Marion Potts and Louise Walters, all long standing directors of the Company. I thank them for their contribution and in particular recognise Ginger Fitzpatrick, who as Chair for eight years, was instrumental to Windmill's success over this period. In their place, I have been thrilled to be able to welcome Rodney Harrex, Rosey Batt, Adam Smith and Rosalba Clemente. I am confident that they, along with Jane Thompson and Helen Wildash, will continue to provide the strong governance and strategic counsel that is required to build on Windmill's success.

I would also like to recognise the excellent service of Teena Munn who departed after nine and a half years in the role of General Manager and Producer. With the recruitment of Sandy Verschoor to this role, I am confident that along with Rosemary Myers, Windmill has an exceptionally strong artistic and commercial leadership team.

I would lastly like to recognise the ongoing efforts of the staff of Windmill, whose outstanding efforts and creative energy continue to ensure that Windmill delivers amazing experiences for children, young people and families.

The Board and staff of Windmill are delighted to submit the results that are contained within this report.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'BS', with a long, sweeping horizontal line extending to the right.

Bruce Speirs
Chair

ARTISTIC DIRECTOR'S REPORT 2014-2015

In 2014-15 Windmill Theatre realised two of its boldest aspirations, both of which were several years in the making. The first of these was the production of the Company's first feature film *Girl Asleep*, and the second was a successful season of *Pinocchio* at The New Victory Theatre in Times Square, New York City.

Alongside these projects we created a new work for preschool audiences, *Grug and the Rainbow* and hosted renowned Scottish theatre director Gill Robertson to create our own production of *The Ballad of Pondlife McGurk* for audiences aged 9 – 12. We also presented productions *Jack and the Beanstalk* and *Masquerade* with Adelaide Festival and State Theatre Company of South Australia respectively.

Deriving from our theatre production of the same name, our feature film *Girl Asleep* represents a fantastic opportunity for Windmill to leverage our content and expand into a new medium. The many benefits for the Company include growing audience exposure, expanding partnerships and providing an incredible platform for artist collaboration and development. The film was finished on June 30 and will be premiered at the Adelaide Film Festival in October, to be followed by further screenings around the country and on ABC TV in 2016.

While Windmill has an established presence in the USA and Canada, this has predominantly been for our small and medium scale works like *Grug* and *Plop!*. As part of our international touring strategy we aimed to expand our presence in North America with a larger work and live the dream of presenting our own musical on Broadway. This allowed us to test the marketplace and showcase a production that had more commercial potential. The season was very successful, with a sell-out season and positive critical reviews, and has already opened up future touring possibilities.

While we are hugely excited about the realisation of these two initiatives, we were also mindful of our other ongoing agendas.

In August, we collaborated with international director Gill Robertson from Scotland's Catherine Wheels Theatre Company and Barking Gecko Theatre Company on an Australian production of *The Ballad of Pondlife McGurk* by Rob Evans. South Australian actor Renato Musolino delivered a brilliantly taut performance to 2,500 school children in Adelaide, Bridgewater, Birdwood and Lobethal. As part of the company's mission to increase access of high quality theatre to geographically disadvantaged communities across South Australia, this production will embark on a schools tour in the latter half of 2015, visiting 16 towns across regional South Australia including Roxby Downs, Coober Pedy and the Anangu Pitjantjatjara Yankunytjatjara Lands (APY).

We closed our 2014 Adelaide season with the return of an old favourite in a new show for preschool audiences, *Grug and the Rainbow*. This brand new production, featuring the same creative team behind our original *Grug* production sold out three months prior to opening, which represented another company first. Work for this age group is a large area of growth and we continue to receive considerable touring interest from venues in North America, China and Korea.

Highlights for this period also include *Pinocchio*'s six national Helpmann Award nominations, and two wins including Best New Australian Work and Best Presentation for Children.

In early 2015 the Company relocated to a new space in the south east corner of Adelaide. For the first time we have our own rehearsal space and a wonderful home base that will revolutionise the way we work over the next few years. Doors for Windmill are opening both literally and metaphorically causing us to look forward with renewed energy to the next stages of our Company's vibrant life.

A summary of the 2014-2015 season program is detailed in the following pages.

Yours sincerely,



Rosemary Myers
Artistic Director

AGENCY ROLE AND PERFORMANCE

The Company has operated in line with its Charter which sets out its objectives in accordance with its letter of agreement with Arts SA, and in accordance with the regulations under the *Public Corporations Act 1993*, No 23 of 2001 and the *Public Finance and Audit Act 1987*.

The Regulations outline the following functions of the subsidiary:

The subsidiary is established as a children's performing arts company to produce, present, facilitate, manage and promote high quality performing arts activities for children, young people, families, schools and other groups or bodies, within the State, nationally and internationally.

The regulations list activities, which may be relevant to this function, including but not limited to:

1. Produce, present, manage, promote or conduct performances and entertainment of any kind as may in its opinion tend to promote artistic performances for children, young people and their families,
2. Promote or commission the writing of plays or dramas, the scoring and writing of operas and other musical performances, the scoring, writing and choreography of dance and other works for performance, and
3. Promote the training of all persons concerned in the production, presentation or performance of artistic performances or presentations.

The Company's ongoing success and reputation is characterised by the ambitious projects it undertakes, highlighted especially by the fact that it will produce its first feature film, to be premiered at the Adelaide Film Festival in 2015. This major funding success demonstrates a high level of confidence in the Company's ability to deliver innovative and first class work. The Company's theatre productions for all ages have continued to be in high demand nationally and internationally, which has enabled it to develop and expand its audiences, and forge stronger relationships with existing partners as well as establish new ones.

The Board appoints the Company's General Manager and Producer and Artistic Director, who are joint CEOs of the company. In 2015 the Board appointed Sandy Verschoor to the role of General Manager and Producer.

During the 2014-15 financial year, an Executive comprising of the General Manager and Producer, Sandy Verschoor and Artistic Director, Rosemary Myers reported to the Board and administered the Company. This Executive, in turn, has employed staff appropriate to the management of various operations of the company, including Finance, Marketing, Development, Production and Administration.

The Company reports directly to the Minister for the Arts, through Arts SA, a division of the State Government through the Department of Premier and Cabinet, its major source of Government funds. It also receives funding from the Australia Council for the Arts, support from the Department of Education and Child Development, corporate and private sector funding support, as well as earned box office income.

WINDMILL THEATRE BOARD AND STAFF

BOARD

Total Number of Meetings: 5

| | | Meetings Attended |
|------------------------|--------------|-------------------|
| Ms Ginger Fitzpatrick* | Chair | 5 |
| Ms Marion Potts* | Board Member | 3 |
| Mr David Spear* | Board Member | 2 |
| Mr Bruce Speirs | Board Member | 5 |
| Ms Jane Thompson | Board Member | 5 |
| Ms Louise Walters* | Board Member | 4 |
| Ms Helen Wildash | Board Member | 3 |

* Ginger Fitzpatrick retired 30 June 2015

* Marion Potts retired 8 March 2015

* David Spear resigned 7 March 2015

* Louise Walters retired 12 April 2015

STAFF

| | |
|---|--|
| General Manager and Producer | Teena Munn (core staff to February 2015) Sandy Verschoor (core staff from March 2015) |
| Artistic Director | Rosemary Myers (core staff) |
| Program and Production Manager | Jason Warner (core staff) |
| Finance Manager | Tina Hodder (core staff to March 2015) Genevieve Booker (core staff from April 2015) |
| Marketing and Corporate Relations Manager | Adam Rossetto (core staff) |
| Marketing and Development Executive | Jennifer Assels (core staff) |
| Touring and Operations Coordinator | Terri Dichiera (p/t core staff) |
| Administration and Operations Coordinator | Gemma Winter Harris (p/t core staff) |
| Arts Education Manager | Julie Orchard (employed by the Department for Education and Child Development) |

COMPANY VISION, MISSION AND STRATEGIES

VISION

To be the leading contemporary Australian performing arts company for children, young people and family audiences.

MISSION

Windmill Theatre creates and presents incredible artworks that captivate our audience's imaginations and resonate deeply. The Company's artistic vision has created a unique and distinctive house style of theatre that makes true adventure and creative ingenuity synonymous with the Windmill name.

Windmill artists are inspired by the vibrancy, sophistication and inventiveness of young people and the exhilarating challenges they pose to creating theatre of genuine relevance in this modern time.

Windmill positions genuine engagement with young audiences at the centre of everything we do, to enrich their cultural lives, learning and imagination through the creation and presentation of our theatre.

First and foremost, our enduring purpose is to continue to create incredible shows, and tour them nationally and internationally. Secondly, we are excited by the increasing potential of modern technologies and will continue to inhabit new media spaces and participate in the development of innovative means to connect artists and audiences to tell, create and share stories. Windmill creates and presents performances that capture the imaginations of its audiences and resonate at the deepest level. Central to all its work is a genuine engagement with young audiences.

Windmill believes that creative expression is fundamental to humanity and that access to the arts is critical to an individual's holistic development. Windmill enriches children and young people's cultural life, learning and imagination through the creation and presentation of its performances and other activity.

STRATEGIC OBJECTIVES

- Extend the repertoire of first class, innovative performing arts productions available to family audiences.
- Operate as a hub of creation of contemporary Australian theatre for children and young people, by continuing to expand the practice of Australia's leading artists in this field and nurturing leading emerging artists and companies through commission and collaboration.
- Establish a strong national reputation with artistic and financial partners and stakeholders.
- Ensure Windmill's work is truly engaged in contemporary practice.
- Create new works, and produce and present the best of existing work.
- Sustain a broad family audience base and provide affordable ticket options.
- Continue to extend Windmill's audience reach into the teenage market, and develop a tier of works suitable for regional and other touring.
- Actively explore the potential of technology and interactive spaces as innovative means to expand our work and audience.
- Provide performance and production opportunities for South Australian artists.
- Maintain long-term financial sustainability and effective, ethical governance.

These objectives are in accordance with the State Government Strategic Plan 2010. In particular the State Strategic Objectives of:

- | | |
|---|--|
| • Creating a Vibrant City | (through our major contribution to the arts sector) |
| • Every Chance for Every Child disadvantaged | (through our extensive education program and our equity program, where 15% of tickets are allocated to school children every year) |

STRATEGIC PLANNING

The Company endorsed its Strategic Plan 2012-16 in 2011. It has commenced its strategic planning processes to create the new Strategic Plan 2017-20 in September 2015.

HISTORY

Windmill Theatre was born in 2002 as an initiative of the South Australian Government to establish a new national theatre company for young people and family audiences. The resourcing for the fledgling company was to enable the creation of productions for this audience, commensurate in scale and production values with works for older audiences by the larger Australian theatre companies.

During its early years the artistic vision for the Company was driven by a Creative Producer who commissioned diverse works and established co-productions with other key companies across Australia, including the Victorian State Opera and Belvoir. During this time Windmill also established itself as a pioneer of theatre for the under five age group.

In 2009 the Company commenced its first year of programming under Artistic Director Rosemary Myers. The shift from Creative Producer to Artistic Director represented a bold new direction for the Company and a chance to energetically evolve and develop an in-house style. As part of signalling this new direction the Company undertook a major re-brand and consolidated its team structure under the leadership of General Manager/Producer, Teena Munn.

A key aspect over the last few years has been continuing to develop works and audiences for the often-neglected teenage audience. Most recently, the success of these works has resulted in national touring, increased audiences and award winning productions. The Company is also now expanding into film and has recently finished producing its first feature based on the theatrical work *Girl Asleep* that will premiere at the 2015 Adelaide Film Festival.

Alongside the development of theatrical productions Windmill has continued its groundbreaking Interactive Educational program. This comprehensive program provides interaction with our works, using educators as the facilitators of a direct dialogue between artists and our young audience and is a key dimension of our work. Exposure to the practice of our artists nurtures greater creative literacy amongst our young audience. Equally the direct connection with young people is a driving source of inspiration for our artists.

HUMAN RESOURCE MANAGEMENT (AS AT 30 JUNE 2015)

The Company employs the following core staff at the indicated levels. Staff are not engaged under the PSM act – these levels are indicative for reporting purposes only.

EMPLOYEE NUMBERS, SALARIES, GENDER AND STATUS

| TOTAL NUMBER OF EMPLOYEES | | |
|---------------------------|-----|---------------------------------|
| Persons | 8.0 | |
| FTEs | 7.0 | (FTEs shown to 1 decimal place) |

| TOTAL NUMBER OF EMPLOYEES BY GENDER | | |
|-------------------------------------|-----------|--------|
| Gender | % Persons | % FTEs |
| Male | 25.0 | 28.6 |
| Female | 75.0 | 71.4 |

| NUMBER OF PERSONS DURING THE 2014-15 FINANCIAL YEAR | |
|---|---|
| Separated from the agency | 2 |
| Recruited to the agency | 2 |

| NUMBER OF PERSONS AT 30 JUNE 2015 | |
|-----------------------------------|---|
| On leave without pay | 0 |

| NUMBER OF EMPLOYEES BY SALARY BRACKET | | | |
|---------------------------------------|------|--------|-------|
| Salary Bracket | Male | Female | Total |
| \$0 - \$54,799 | - | 2 | 2 |
| \$54,800 - \$69,699 | - | 1 | 1 |
| \$69,700 - \$89,199 | 2 | 1 | 3 |
| \$89,200 - \$112,599 | - | 2 | 2 |
| \$112,600+ | - | - | - |
| TOTAL | 2 | 6 | 8 |

| STATUS OF EMPLOYEES IN CURRENT POSITION (FTEs) | | | | | |
|--|---------|---------------------|--------------------|----------------|-------|
| FTEs | Ongoing | Short-Term Contract | Long-Term Contract | Other (Casual) | Total |
| Male | - | - | 2 | - | 2 |
| Female | - | - | 5 | - | 5 |
| TOTAL | - | - | 7 | - | 7 |

| STATUS OF EMPLOYEES IN CURRENT POSITION (PERSONS) | | | | | |
|---|---------|---------------------|--------------------|----------------|-------|
| PERSONS | Ongoing | Short-Term Contract | Long-Term Contract | Other (Casual) | Total |
| Male | - | - | 2 | - | 2 |
| Female | - | - | 6 | - | 6 |
| TOTAL | - | - | 8 | - | 8 |

| NUMBER OF EMPLOYEES BY AGE BRACKET BY GENDER | | | | | |
|--|------|--------|-------|------------|-------------------------------|
| Age Bracket | Male | Female | Total | % of Total | 2014 Workforce Benchmark* (%) |
| 15-19 | - | - | - | - | 5.5 |
| 20-24 | - | - | - | - | 9.7 |
| 25-29 | - | 1 | - | 12.5 | 11.2 |
| 30-34 | 1 | - | - | 12.5 | 10.7 |
| 35-39 | - | 2 | - | 25.0 | 9.6 |
| 40-44 | 1 | 1 | - | 25.0 | 11.4 |
| 45-49 | - | - | - | - | 11.1 |
| 50-54 | - | 1 | - | 12.5 | 11.4 |
| 55-59 | - | 1 | - | 12.5 | 9.1 |
| 60-64 | - | - | - | - | 6.7 |
| 65+ | - | - | - | - | 3.6 |
| TOTAL | 2 | 6 | - | 100 | 100.0 |

| AVERAGE DAYS LEAVE PER FULL TIME EQUIVALENT EMPLOYEE | | | | |
|--|---------|---------|---------|---------|
| Leave Type | 2011-12 | 2012-13 | 2013-14 | 2014-15 |
| Sick Leave | 1.57 | 1.86 | 2.00 | 2.86 |
| Family Carer's Leave | 0.14 | 0.14 | - | 0.29 |
| Miscellaneous Special Leave | - | - | - | - |

TRAINING AND DEVELOPMENT

| DOCUMENTED REVIEW OF INDIVIDUAL PERFORMANCE MANAGEMENT | |
|--|-------------------|
| Employees with ... | % Total Workforce |
| A review within the past 12 months | 25 |
| A review older than 12 months | 50 |
| No review | 25 (new staff) |

| LEADERSHIP AND MANAGEMENT TRAINING EXPENDITURE | | |
|---|-----------------|-------------------------------|
| Training and Development | Total Cost (\$) | % of Total Salary Expenditure |
| Total training and development expenditure | 7,910 | 1.51 |
| Total leadership and management development expenditure | - | - |

| ACCREDITED TRAINING PACKAGES BY CLASSIFICATION | |
|--|--|
| Classification | Number of Accredited Training Packages |
| Nil | Nil |

OCCUPATIONAL HEALTH AND SAFETY

The company focuses on the following ongoing priorities and strategies:

- Providing a safe working environment and practices for the administrative office areas.
- Providing a safe stage environment for performers and crews.
- Involve venue WHS representatives on assessing safety of stage effects and obtain clearance or make the necessary modifications.
- Involve professional safety experts in these aspects of the production (e.g. firemen, plumbers, gas-fitters) and obtain safety certificates.
- Educate and train performers in safety aspects and drills.
- Providing a safe environment for patrons attending performances both in the auditorium (e.g. lighting levels, sound levels) and from the stage (where stage effects can impact on safety of audiences, e.g. use of fire, water and smoke).
- Ensure all effects comply with recognised public standards.
- Provide notices of such effects at all times for the information of patrons

| WORK HEALTH AND SAFETY PROSECUTIONS, NOTICES AND CORRECTIVE ACTION TAKEN | |
|---|---|
| Number of notifiable incidents pursuant to WHS Act Part 3 | - |
| Number of notices served pursuant to WHS Act Section 90, Section 191 and Section 195 (Provisional improvement, improvement and prohibition notices) | - |

| AGENCY GROSS WORKERS COMPENSATION EXPENDITURE FOR 2014-15 ³ COMPARED WITH 2013-14 (\$) | | | | |
|---|---------|---------|-----------|----------|
| EXPENDITURE | 2014-15 | 2013-14 | Variation | % Change |
| Hospital | - | - | - | - |
| Income maintenance | - | - | - | - |
| Investigations | - | - | - | - |
| Legal expenses | - | - | - | - |
| Lump sum | - | - | - | - |
| Other | - | - | - | - |
| Registered medical | 3,279 | - | 3,279 | 100% |
| Rehabilitation | - | - | - | - |
| Travel | - | - | - | - |
| Total claims expenditure | - | - | - | - |

³ Before third party recovery.

FRAUD

There are no cases of fraud to be reported for this period. The internal control structures of the company are working efficiently thereby reducing the risk of fraud occurrence.

USE OF CONSULTANTS

Total expenditure on consultants: none.

OVERSEAS TRAVEL

Information about overseas travel will be uploaded to our website (windmill.org.au) annually as required by Premier and Cabinet Circular 35 (PC035).

DISABILITY ACCESS AND INCLUSION PLANS

Using commercial venues such as the Adelaide Festival Centre, Windmill is subject to the physical disability access regime of the Centre and other venues it hires. Its office accommodation at Sturt Street, Adelaide meets the needs of people with a disability. A disability access and inclusion plan has been adopted.

| TOTAL NUMBER OF EMPLOYEES WITH DISABILITIES (ACCORDING TO COMMONWEALTH DDA DEFINITION) | | | |
|--|--------|-------|-------------|
| Male | Female | Total | % of Agency |
| - | - | - | - |

SUSTAINABILITY

The Company endeavours to reduce its environmental footprint by implementation of several actions. These include: three tier recycling of all kitchen waste products, re-use of paper in the photocopier, double sided copying and electronic filing system, recycling of office waste, Fluoro lighting. Noting that we rent our premises and therefore major changes are not possible, we have been in discussion to change the lighting to long life LEDs.

FREEDOM OF INFORMATION

The Company's functions are summarised earlier in the report and are fully detailed in its regulations and charter.

The agency presents public performances of theatrical productions open by ticket purchase to all members of the public. It also offers special access for disabled members of the public as well as economically and socially disadvantaged members of the public, children, school students and youth. The Company has a policy of providing 15% of its tickets to patrons who are economically, socially or otherwise disadvantaged.

Documents held by the agency may be accessed and amended by the public where it concerns their personal affairs, where allowed under the Freedom of Information Act 1991.

WHISTLEBLOWERS PROTECTION ACT 1993

The Company has appointed a responsible officer for the purposes of the *Whistleblowers Protection Act 1993* pursuant to Section 7 of the *Public Sector Act 2009*. There have been no instances of disclosure of public interest information to a responsible officer of the company under the *Whistleblowers Protection Act 1993*.

PUBLIC COMPLAINTS

| CATEGORY OF COMPLAINTS BY SUBJECT 2014-2015 | NUMBER |
|---|--------|
| Service quality/delivery | - |
| Behaviour of staff | - |
| Service access/processes/procedures | - |
| Other complaints | - |
| Total complaints | - |

PARTNERS AND DONOR LIST

GOVERNMENT

The South Australian Government funds Windmill Theatre through Arts SA.



Windmill's Arts and Education activities are supported by the South Australian Department for Education and Child Development via the provision of its Arts Education Manager.



The Commonwealth Government funds Windmill Theatre through the Australia Council for the Arts as a Key Organisation.



MAJOR PARTNERS

Channel Seven
The Advertiser

COMMUNITY PARTNER

Beyond Bank Australia

TRUSTS AND FOUNDATIONS

The Ian Potter Foundation
Lang Foundation
Pratt Foundation

CORPORATE PARTNERS

Art Series Hotel Group
Budget Car and Truck Hire
De.Co
Festival City Wines
SA Kids
Tynte Flowers
Vili's

CREATIVE PARTNERS

Australian Broadcasting Corporation
Adelaide Festival
Adelaide Festival Centre
Adelaide Film Festival
Campbelltown Arts Centre
Country Arts SA
Come Out Children's Festival
ERTH VIS Erth Visual and Physical
Griffin Theatre Company
Insite Arts
KOJO
Metro Arts
Sandpit
Screen Australia
Soft Tread Enterprises
South Australian Film Corporation
State Theatre Company of South Australia

ARTS EDUCATION PARTNERS

Adelaide Festival Centre CentrED
Flinders University
Department for Education and Child Development
University of South Australia

TOUR PARTNERS

Out of the Box Festival (QPAC)
Sha Tin Town Hall, Hong Kong
The New Victory Theatre, New York

DONORS

BENEFACTOR \$10,000+
Roger Salkeld and Helen Bell.

PLATINUM \$3,000+
Legh and Helen Davis, Ginger and Barry Fitzpatrick, Margo and Sam Hill-Smith, Julia Mackintosh, Jane and Neil Thompson and Louise and Graham Walters.

GOLD \$2,000+
David and Alison Smallacombe.

SILVER \$1,000+
Melissa Baulderstone, Albert and Nyra Bensimon, Amanda Blair, Rob Brookman, Richard and Joanna Collins, Maurice and Tess Crotti, Noel and Janet Grieve, Christopher Guille, Carolyn Mitchell, Diane Ranck, David and Janet Rice, Andrew and Gayle Robertson, Don and Meredyth Sarah, Bill and Helen Spurr and Sue Tweddell.

BRONZE \$500+
Ronald Bannear, Diana Fry, Deborah Harrison, Robert and Annabel Hill-Smith, Gillian Hogg, Martin Leaker, Marcia Lobban, Skye McGregor, Janice McLeod, Ginete Moutakis, Teena Munn, Rose Myers, Lindy O'Keefe, Max Ormsby, Ben Robinson, Richard Ryan, Glynis Smalley, Kaye Weeks, Senator Penny Wright.

OPERATING ACTIVITIES

COMPANY HIGHLIGHTS

Large-scale family musical *Pinocchio*, which won 'Best New Australian Work' and 'Best Presentation for Children' at the 2014 Helpmann Awards, played a two-week season at New York's New Victory Theatre from 12-22 March. Over 5,700 young people saw the show over two weeks, representing an astonishing 93% season capacity – a 'sell out' on Broadway. Critical reviews were overwhelmingly positive with The New York Times highlighting its 'robust energy [and] visual flair' while Time Out New York gave it four stars and a prized 'Critic's Pick'. Audience feedback was equally glowing.

Since 2012, multi award-winning *Pinocchio* has played to over 35,000 young people across Australia and now, the world. This recent US season has opened many more doors for future international touring, with several presenters from Scotland, China and the UK, now interested in programming the work in their own market.

Brand new production for early childhood audiences, *Grug and the Rainbow*, sold out three months prior to its Australian premiere, which represented a company first. It's stable mate, *Grug*, played a sell-out season at Hong Kong's Sha Tin Town Hall in April, which represents the beginning of a renewed push into China for 2015 and beyond.

In early 2015, Windmill completed its first feature film *Girl Asleep*. Rosemary Myers' directorial debut feature, a coming of age story that explores the life of 14-year-old Greta Driscoll, will make its premiere at the 2015 Adelaide Film Festival in October. The screenplay, written by Matthew Whittet, is based on the critically acclaimed theatrical work that premiered as part of Windmill Theatre's trilogy for teenage audiences at the 2014 Adelaide Festival of Arts. *Girl Asleep* was commissioned by Adelaide Film Festival through the HIVE FUND, which is an Adelaide Film Festival initiative with partners ABC Arts, Screen Australia and Australia Council for the Arts, with additional support from South Australian Film Corporation and The Ian Potter Foundation.

Earlier this year the company reached another momentous milestone, eclipsing 500,000 children and families that have attended a Windmill show worldwide. Since 2002, the company has performed 56 works, including 27 new commissioned works, and undergone 55 regional, national and international tours taking in 38 cities across eight countries, representing 2,400 individual performances.

AWARDS AND NOMINATIONS

- 2014 Two Helpmann Awards for *Pinocchio*: Best Presentation for Children and Best New Australian Work and four nominations including Best Direction of a Musical, Best Scenic Design, Best Original Score and Best Lighting Design.
- 2014 South Australian Ruby Award nomination for Best Work: *The Trilogy*.
- 2015 Australian Writers Guide nomination for *Girl Asleep*: Theatre for Young Audiences for Matthew Whittet
- 2015 Sydney Theatre Award nomination for *Pinocchio*: Best Production for Children.

TOURING

- 2014 *Big Bad Wolf*, one-week season, Out of the Box Festival (QPAC) in July 2014.
- 2015 *Grug*, one-week season, Hong Kong in April 2015.
- 2015 *Pinocchio*, two-week season, The New Victory Theatre, New York in March 2015.

BIG BAD WOLF



BIG BAD WOLF

A Windmill Theatre production

| | |
|-------------------|---|
| SEASON | 25 June – 2 July 2014 |
| VENUE | Brisbane, Out of the Box Festival (QPAQ) |
| AGES | 5+ |
| WRITER | Matthew Whittet |
| DIRECTOR | Rosemary Myers |
| SET DESIGNER | Jonathan Oxlade |
| SOUND DESIGNER | Harry Covill |
| LIGHTING DESIGNER | Chris Petridis |
| MOVEMENT | Carol Wellman Kelly |
| CAST | Patrick Graham, Ellen Steele and Emma Hawkins |

CONFIRMED FUTURE SEASONS North American Tour, 16 cities, 2016

PREVIOUS SEASONS Lawler Theatre, Melbourne Theatre Company, 2014
Space Theatre, Adelaide Festival Centre, 2013

SYNOPSIS

He's the most misunderstood character in fairytale history. Put simply he has no friends. But then he does have incredibly sharp teeth, yellow eyes and his own ideas about personal hygiene, and he is the infamous *Big Bad Wolf* after all. No one likes him. Luckily one girl is brave enough to double-check this wolf's bad press and an unlikely friendship is born.

ARTISTIC DIRECTOR'S COMMENTS

This is the first work that Windmill has created for five plus audiences for several years. We wanted to make a work that was tourable for smaller and studio venues and with a relatively quick bump in time. Having created the 'outsider story' in *School Dance* for teenagers, we commissioned Matthew Whittet to write *Big Bad Wolf* for a younger age group. At the heart of the story is the relationship between the outcast Wolfy and the high achieving Heidi Hood. This is encapsulated in beautifully nuanced performances and great onstage chemistry of our wonderful actors. Our aim was to create a theatrical world tinged with melancholy but which ultimately spoke to the possibility of finding friends where we may least expect too. We felt it was also important to create a gentle reminder not to judge a book by its hairy, pointy toothed and slightly pungent cover.

WHAT THE CRITICS SAID

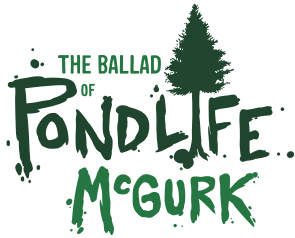
"A clever, warm hearted parable that... lights up the imaginations of its target audience." The Age

"A whimsical, gently persuasive tale of friendship and acceptance." The Australian

"Greeted with delight from both children and adults..." The Guardian

"An education in how to charm kids and adults in fifty fun minutes." Crikey

"Kept the young members, as well as the older ones, spellbound." Glam Adelaide



THE BALLAD OF POND LIFE MCGURK

A Windmill Theatre and Barking Gecko co-production with Catherine Wheels Theatre Company.

| | |
|----------------|---|
| SEASON | 4 - 9 August 2014 |
| VENUES | Tandanya Theatre, Adelaide Adelaide Hills (Bridgewater, Birdwood and Lobethal) |
| AGES | 8+ |
| DEVISER | Andy Manley |
| DIRECTOR | Gill Robertson |
| WRITER | Rob Evans |
| SOUND DESIGNER | Danny Krass |
| CAST | Renato Musolino |

CONFIRMED FUTURE SEASONS 16 Regional South Australian Towns, July 2015

SYNOPSIS

When Martin moves to a new school he feels lost in a sea of strange faces, especially when class bully Sharon takes a dislike to him. That is until he meets Simon McGurk and forms a friendship that not only changes Martin, but curses Simon for the rest of his school days.

Directed by renowned international director Gill Robertson, this is simply told, powerful theatre about the fragile nature of the schoolyard and just how difficult it can be to stay true to your friends.

ARTISTIC DIRECTOR'S COMMENTS

For several years we have been exploring models of engagement with young people located in regional South Australia. As part of this strategy we wanted to develop a production that could tour relatively easily and did not necessarily need a formal theatre in which to be performed. Through our ongoing relationship with renowned Scottish company Catherine Wheels (*White*; *Cinderella*; *Josephine Bean*) we had become aware of a brilliant work they had developed to be performed in classrooms. *The Ballad of Pondlife McGurk*, written by Rob Evans, is theatre that relies on strong acting, great writing and inventive but minimal staging. In fact, the minimal technical production and 'in the round' configuration allows the audience to be up close to the performer, witnessing his capacity to transform into a range of characters. We partnered with our West Australian colleagues Barking Gecko Theatre Company to bring Gill Robertson from Edinburgh to Adelaide to direct two actors into two productions of this one-man show. This provided an excellent opportunity for a direct collaboration with this renowned director and allowed us to create our own production of this powerful work for touring into regional South Australia.

WHAT THE CRITICS SAID

"Musolino very successfully treads the fine line between touching on an emotionally-charged issue and actually addressing it, aided in full measure by a script that is often touching, and at times profound." The Advertiser

"Musolino's energy, character-switching and instant audience connection keeps the crowd enthralled."
Sunday Mail

"Renato Musolino [is] brilliant." The Advertiser

"Musolino has a near-genius rapport with the largely school-aged group." The Advertiser



GRUG AND THE RAINBOW

A Windmill Theatre and Adelaide Festival Centre presentation.

| | |
|----------|--|
| SEASON | 19 – 30 November 2014 |
| VENUE | Space Theatre, Adelaide Festival Centre |
| AGES | 1-5 |
| DIRECTOR | Sam Haren |
| DESIGNER | Jonathon Oxlade |
| COMPOSER | DJ TR!P |
| CAST | Nathan O'Keefe, Ellen Steele and Jude Henshall |

CONFIRMED FUTURE SEASONS Melbourne Arts Centre, July 2015

SYNOPSIS

More stories based on the much-loved picture book character created by Ted Prior

Grug began his life as the grassy top of a Burrawang tree. Fascinated by the world around him and never short of an adventure, now he's back by popular demand. Embarking on his own epic journey to find a rainbow, it always seems just beyond his grasp. But Grug is full of determination and his adventures are always full of surprises. Featuring exquisite puppetry and more of the gentle storytelling that has delighted audiences around the world, this brand new show has been especially created for the next generation of our littlest theatregoers (and those who just love Grug).

ARTISTIC DIRECTOR'S COMMENTS

Our theatrical production of *Grug*, adapted from Ted Prior's books of the same name, has been delighting preschool audiences and their families across Australia and around the world, playing to some 50,000 young people since 2010. It also won the prestigious Best Show Award at the International Performing Arts for Youth (IPAY) showcase in 2011. We decided to re-unite the collaborative team to create more *Grug* stories and continue to evolve this delicate, whimsical and nuanced world that captivates young children. With a dedicated fan base established, *Grug and the Rainbow* was an extraordinarily popular ticket item with audiences, selling out three months prior to opening. This new production continues the audience interaction, has a brilliantly extended design world, introduces new puppet characters, and utilises a cleverly constructed meta structure for the short stories. This production also features much more laugh-out-loud humour that really engages audiences of all ages.

In July 2015 the production will tour to the Melbourne Arts Centre, with future national and international touring currently under negotiation.

WHAT THE CRITICS AND AUDIENCE SAID

"Director Sam Haren has harnessed every element – Jonathan Oxlade's design magic, DJ TR!P's funky composition, accessible storytelling, and the puppetry itself – into a seamless whole, all performed in a tight 35 minutes: an ideal length for young attention spans." Sydney Morning Herald

"Grug and the Rainbow is amongst the best children's theatre you will find; don't miss this gorgeous show."
The Barefoot Review

"Another exquisitely simple set from Jonathon Oxlade, and the lightest touch from director Sam Haren."
The Advertiser

"Windmill Theatre are experts at involving the children from the moment they arrive." Glam Adelaide

Jack & the Beanstalk



JACK AND THE BEANSTALK

A new work by Chiara Guidi of Societas Raffaello Sanzio, in co-production with Jeff Stein, Erth Visual and Physical and Insite Arts. Commissioned by Campbelltown Arts Centre and Adelaide Festival. A special Windmill Theatre season addition.

| | |
|----------------------------------|---|
| SEASON | 28 February - 8 March 2015 |
| VENUE | Odeon Theatre, Norwood |
| AGES | 7+ |
| DIRECTOR & WRITER | Chiara Guidi |
| CREATIVE PRODUCER | Jeff Stein |
| ARTISTIC ASSOCIATE | Scott Wright |
| MUSICIANS | Trevor Brown and Veren Grigorov |
| ASSISTANT TO THE DIRECTOR | Nadia Cusimano |
| SOUND DESIGN | Max Lyandvert |
| SET, PUPPET AND COSTUME DESIGNER | Erth Visual and Physical |
| LIGHTING DESIGNERS | Clytie Smith and Mark Haslam |
| CAST | Skye Gellmann, Katia Molino, Drew Fairley, Christa Hughes |
| and | Nadia Cusimano |

SYNOPSIS

Darkness rules as acclaimed Italian director Chiara Guidi and her Australian creative team explore the shadier side of the famous story of Jack, the mysterious stranger with magical beans, the ogre that lived high in the sky and the goose that laid the golden egg.

Jack's astonishing trip up the beanstalk is worth the price of admission alone in this wild musical production that will have children engrossed by its magical storytelling, stagecraft and laugh-out-loud moments.

WHAT THE CRITICS SAID

"Jack and the Beanstalk is exemplary storytelling, and enormous fun." ABC Arts

"A must-see." The Advertiser

"Instead of wrapping its young audience in cotton wool, this inventive co-production offers them gleefully gruesome thrills." ArtsHub

"A gripping and hilarious rendition of the familiar tale." InDaily

"The children sat through the show enchanted... not a fidget to be felt." Stage Whispers



PINOCCHIO

The New Victory Theatre New York presents a Windmill Theatre and State Theatre Company of South Australia co-production.

| | |
|---------------------------|---|
| SEASON | 12 - 22 March 2015 |
| VENUE | New Victory Theatre, New York City |
| AGES | 8+ |
| DIRECTOR, WRITER, CREATOR | Rosemary Myers with |
| WRITER | Julianne O'Brien |
| DESIGNER | Jonathon Oxlade |
| MUSICAL DIRECTOR | Jethro Woodward |
| VIDEO DESIGNER | Chris More |
| LIGHTING DESIGNER | Geoff Cobham |
| MOVEMENT | Carol Wellman Kelly |
| MUSICIAN | Paul White |
| CAST | Mitchell Butel, Paul Capsis, Danielle Catanzariti, Jude Henshall, Nathan |
| | O'Keefe, Jonathon Oxlade and Alirio Zavarce |
| PREVIOUS SEASONS | The Drama Theatre, Sydney Opera House, 2014 Merlyn Theatre, Malthouse Theatre, 2012 Dunstan Playhouse, Adelaide Festival Centre, 2012 |

SYNOPSIS

Once there was a lonely man with lots of love to give. He wanted a child so much that he carved himself a beautiful little boy. But the boy wanted the world and the latest designer sandshoes. He wanted fame, celebrity and to walk on the wild side. He was lured by temptation and the love of a blue girl. This woodenhead wanted more than his father could possibly give, and so he ran away to get it. This is his story... Based on the classic tale and boldly retold as a witty, gothic, rocking, family music theatre spectacular, *Pinocchio* is a contemporary celebration of the 'whatever' generation.

ARTISTIC DIRECTOR'S COMMENTS

After many months in the planning we set out for The New Victory Theatre, Times Square for *Pinocchio*. After our successful season at the Sydney Opera House in 2014 we had refined the storytelling to ensure it was as taught and engaging as possible. For Sydney, Paul Capsis joined the cast in the role of Stromboli and for New York, Mitchell Butel in the role of Foxy - both adding some serious vocal weight to the ensemble. As the production is very technical we battled jetlag to install it to schedule but the opening went very smoothly and the entire season was very well received, completely selling out, and has resulted in future touring opportunities.

AWARDS

| | |
|----------------------|---|
| Helpmann Awards 2014 | Winner: Best New Australian Work |
| Helpmann Awards 2014 | Winner: Best Presentation for Children |
| Helpmann Awards 2014 | Nomination: Best Direction of a Musical: Rosemary Myers |
| Helpmann Awards 2014 | Nomination: Best Scenic Design: Jonathon Oxlade |
| Helpmann Awards 2014 | Nomination: Best Lighting Design: Geoff Cobham |
| Helpmann Awards 2014 | Nomination: Best Original Score: Jethro Woodward |
| Ruby Awards 2013 | Winner: Best Work |

WHAT THE CRITICS SAID

"It totally blows your mind! A critics pick - four stars!" Time Out New York

"Manifests robust energy, visual flair and an aversion to modern-day phoniness." The New York Times



GRUG

A Windmill Theatre production

| | |
|----------|--|
| SEASON | 10 - 12 April 2015 |
| VENUE | Sha Tin Town Hall, Hong Kong |
| AGES | 1 - 5 |
| DIRECTOR | Sam Haren |
| DESIGNER | Jonathon Oxlade |
| COMPOSER | DJ TR!P |
| CAST | Matt Crook, Ellen Steele and Hamish Fletcher |

| | |
|------------------|---|
| PREVIOUS SEASONS | North American Tour, 13 cities, 2013 Adelaide, Adelaide Festival Centre, 2013 Goolwa Centenary Hall, 2012 Edinburgh, Scotland, Imagine Festival, 2012 Florida, IPAY, 2011 Melbourne Arts Centre, 2011 Brisbane, QPAC, 2011 Sydney, Sydney Children's Festival, 2010 Adelaide, The Forge Theatre, 2010 |
|------------------|---|

SYNOPSIS

Based on the picture book character created by Ted Prior.

Grug began his life as the top of a Burrawang tree that fell to the ground. Resembling a small, striped haystack with feet and a nose, Grug is fascinated by the world around him and solves everyday problems creatively and without fuss.

When dancing instructions are too difficult to understand, he invents his own dance and calls it 'The Grug'. When snails eat his cabbages, Grug plants more cabbages so there will be enough for both him and the snails. Ted Prior's hugely popular character (with 150,000 Facebook fans!) is brought to life for this magical stage production for our very young theatre lovers.

ARTISTIC DIRECTOR'S COMMENTS

After enjoying extensive touring across Australia, North America, Canada and Scotland, this was Grug's first trip to a country where English is not the primary language. The Company spent two days working an interpreter into the production, which was very successful and will stand as a model for future Asian touring. The audiences were very responsive to the show, although the shorter length of the production was an issue for some patrons and will need to be considered as we continue to develop this market.

AWARDS

| | |
|--|---|
| 2013 Business SA Export Award | Winner: Creative Industries Award |
| 2012 Business SA Export Award | Winner: Arts and Entertainment Award |
| 2011 Victor Award | Winner: International Performing Arts for Youth Showcase In Tampa, Florida: Best Show |
| 2011 Helpmann Award | Nomination: Best Production for Children |
| 2011 South Australian Ruby Award | Nomination: Best Work |
| 2010 Adelaide Theatre Guide Curtain Call Award | |

WHAT THE CRITICS SAID

"He's like the Elmo of Down Under". The New York Times

Masquerade



MASQUERADE

Presented by State Theatre Company of South Australia and Griffin Theatre Company in association with Adelaide Festival Centre and Windmill Theatre.

| | |
|--------------------|---|
| SEASON | 20 - 31 May 2015 |
| VENUE | Her Majesty's Theatre, 58 Grote Street, Adelaide |
| AGES | 8+ |
| DIRECTORS | Sam Strong and Lee Lewis |
| DESIGNER | Anna Cordingley |
| LIGHTING DESIGNER | Geoff Cobham |
| MUSICAL DIRECTORS | Pip Branson and Mikangelo |
| ASSISTANT DIRECTOR | Nescha Jelk |
| ASSOCIATE DESIGNER | Romanie Harper |
| LIVE MUSIC | Mikangelo and the Black Sea Gentlemen |
| CAST | Kate Cheel, Helen Dallimore, Nathan O'Keefe and Zindzi Okenyo |

PREVIOUS SEASONS Drama Theatre, Sydney Opera House, 2015

SYNOPSIS

By Kate Mulvany based on the book by Kit Williams with music by Pip Branson and Mikangelo.

In a wondrous world of riddles and hidden treasure, bumbling Jack Hare is on a race against time to deliver a message of love from the Moon to the Sun. Far, far away in a world just like ours, a mother cheers her son Joe with the tale of Jack Hare's adventure. But when Jack's mission goes topsy-turvy, Joe and his mum must come to the rescue, and the line between myth and reality becomes blurred forever.

Masquerade is a new Australian play by award-winning playwright Kate Mulvany based on the iconic children's book by Kit Williams, which sold over two million copies worldwide in the late 1970s and sparked a national British treasure hunt with its concealed clues to the location of a jeweled golden hare. Featuring rich and fantastical design, knockabout humour, brilliant gypsy-influenced music and a cast of exotic characters, wise-cracking animals and a few mere mortals, this is a magical adventure that is, at its heart, about the love between a parent and a child.

WHAT THE CRITICS SAID

"Masquerade is alchemy in action. As a winsome fantasy it is fantastical and as a clear-eyed rendering of the real world of childhood it is moving and honest." Stage Noise

"A delightful family show that captures the tone and quirky magic of the riddle filled book." Sunday Telegraph

"Nathan O'Keefe is delightful as a constantly worried but mischievous Jack Hare." The Australian

"Masquerade is lively and visually inventive." Sydney Morning Herald

"Helen Dallimore and Nathan O'Keefe take the first half of the play from reality to fiction with finesse." Stage Whispers

GIRL ASLEEP FILM

In this contemporary age of screen culture Windmill is enthusiastic to explore new ways to leverage our live work into new mediums. This began with our short documentary and learning package *Mimili Mob* and continued with our interactive project *My Room*. In 2013 we were thrilled to hear we were successful in our application to The HIVE Production Fund (a unique partnership between ABC Arts, Adelaide Film Festival, Australia Council for the Arts and Screen Australia) to realise a film of the stage work *Girl Asleep*. After raising further funds we embarked upon the adaptation, pre-production, production and post-production for the film. It was an exhausting and exhilarating experience. As well as fostering a greater potential audience for our work and new funding sources, it was a fantastic developmental opportunity for all the artists involved to collaborate closely with artists from another medium.

CREATIVE DEVELOPMENTS

Due to the high level of delivery and long pre-production phase for the *Girl Asleep* film, no creative development was undertaken in 2014-15. Developments scheduled for 2015-16 include *Creation Creation* (July), *Rumpelstiltskin* (August) and a new teenage work (September).

PERFORMANCE STATISTICS

For the period 1 July 2014 – 30 June 2015 inclusive.

SUMMARY OF ACTIVITY

| | |
|--|----|
| Total productions | 7 |
| Total productions shown in South Australia | 4 |
| Total performances in South Australia | 67 |
| Total productions shown interstate | 1 |
| Total performances interstate | 12 |
| Total international tours | 2 |
| Total performances overseas | 21 |
| Total co-productions | 1 |

SUMMARY OF ATTENDANCE

| PRODUCTION | LOCATION | TOTAL PERFS | GP PAID ATTEND | SCH PAID ATTEND | UNPAID ATTEND | TOTAL ATTEND |
|--------------------------------------|-----------|-------------|----------------|-----------------|---------------|--------------|
| <i>Big Bad Wolf</i> | Brisbane | 12 | 1,104 | 1,356 | 207 | 2,667 |
| <i>The Ballad of Pondlife McGurk</i> | Adelaide | 18 | 230 | 1,157 | 1,222 | 2,609 |
| <i>Grug and the Rainbow</i> | Adelaide | 23 | 2,828 | 1,650 | 1,135 | 5,613 |
| <i>Jack and the Beanstalk</i> | Adelaide | 12 | 1,162 | 492 | 248 | 1,902 |
| <i>Pinocchio</i> | New York | 13 | 3,657 | 2,062 | 0 | 5,719 |
| <i>Grug</i> | Hong Kong | 8 | NA | NA | NA | 1,462 |
| <i>Masquerade</i> | Adelaide | 14 | 2,726 | 2,475 | 230 | 5,431 |
| TOTAL | | 100 | 11,707 | 9,192 | 3,042 | 25,403 |

WORKSHOPS

| PRODUCTION AND TYPE OF WORKSHOP | TOTAL WORKSHOPS | ATTENDANCE NUMBERS |
|--------------------------------------|-------------------------------------|-------------------------------|
| <i>The Ballad of Pondlife McGurk</i> | Teacher x 15 Student x 15 | 30 (teacher briefing) 1334 |
| <i>Grug and the Rainbow</i> | Family x 23 Tertiary Student x 5 | 690 23 (held workshops) |



FINANCIAL STATEMENTS

**For the Year Ended
30 June 2015**



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**To the Chair of the Board
Australian Children's Performing Arts Company**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the accompanying financial report of the Australian Children's Performing Arts Company for the financial year ended 30 June 2015. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2015
- a Statement of Financial Position as at 30 June 2015
- a Statement of Changes in Equity for the year ended 30 June 2015
- a Statement of Cash Flows for the year ended 30 June 2015
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chair, the General Manager and Producer and the Finance Manager.

The Board's Responsibility for the Financial Report

The Directors of the Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the Directors of the Board determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Directors of the Board, as well as the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the Australian Children's Performing Arts Company as at 30 June 2015, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

Other Matters

I draw attention to the following matters that are relevant to users' understanding of the audit of the Australian Children's Performing Arts Company.

Loan to Girl Asleep Pty Ltd

During the year ended 30 June 2015 the Australian Children's Performing Arts Company agreed to lend Girl Asleep Pty Ltd \$407 699. As at 30 June 2015 the Australian Children's Performing Arts Company had advanced \$265 950 to Girl Asleep Pty Ltd in accordance with this agreement. The loan to Girl Asleep Pty Ltd is recognised in the Australian Children's Performing Arts Company's Statement of Financial Position and disclosed in note 18 to the financial report.

Girl Asleep Pty Ltd is a proprietary company jointly owned by the Australian Children's Performing Arts Company.

The Australian Children's Performing Arts Company is required to comply with the Public Corporations (Australian Children's Performing Arts Company) Regulations 2001. Regulation 20(1) mandates that the Australian Children's Performing Arts Company must not lend or advance to any person any money, securities or property without the prior written approval of the Treasurer.

The Australian Children's Performing Arts Company did not seek nor obtain the prior written approval of the Treasurer to lend money to Girl Asleep Pty Ltd, and therefore has not complied with those regulations issued pursuant to the *Public Corporations Act 1993*.

The Australian Children's Performing Arts Company's loan to Girl Asleep Pty Ltd was repaid in full on 3 December 2015.

Guarantee and indemnity issued for the benefit of Girl Asleep Pty Ltd

During the year ended 30 June 2015, the Australian Children's Performing Arts Company acted as guarantor to secure a \$250 000 bank loan provided to Girl Asleep Pty Ltd. The Australian Children's Performing Arts Company also indemnified the bank from any loss, liability or cost incurred arising from Girl Asleep Pty Ltd's failure to meet its loan obligations.

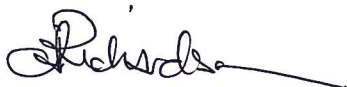
The Australian Children's Performing Arts Company's obligations under this guarantee and indemnity are disclosed in note 28 of its financial report for the year ended 30 June 2015. Girl Asleep Pty Ltd's bank loan was repaid in full on 2 December 2015.

The *Public Corporations Act 1993* requires the Australian Children's Performing Arts Company to ensure that, as far as practicable, it operates within the limits imposed by its parent corporation's incorporating Act and complies with the requirements imposed by or under the *Public Corporations Act 1993* or any other Act or law. The Australian Children's Performing Arts Company is established as a subsidiary of the Minister for the Arts, and therefore the Minister is its parent corporation.

Treasurer's Instruction 20 Guarantees and Indemnities, issued pursuant to section 41 of the *Public Finance and Audit Act 1987*, restricts the issuance of guarantees and indemnities. Under this Instruction a Minister cannot give a guarantee or indemnity unless the Minister is expressed to be able to give that guarantee or indemnity under an Act of Parliament. A public authority may request the Treasurer to give a guarantee or indemnity under the *Public Finance and Audit Act 1987*.

Neither the Minister for the Arts nor the Australian Children's Performing Arts Company has the express authority to give a guarantee or indemnity under the *Public Corporations Act 1993* or the Public Corporations (Australian Children's Performing Arts Company) Regulations 2001. In not complying with Treasurer's Instructions, the Australian Children's Performing Arts Company has not complied with the *Public Corporations Act 1993*.

The Australian Children's Performing Arts Company did not request the Treasurer give a guarantee and indemnity under the *Public Finance and Audit Act 1987*.



Andrew Richardson

Auditor-General

6 April 2016

AUSTRALIAN CHILDREN'S PERFORMING ARTS COMPANY

Certification of the Financial Statements

We certify that the attached general purpose financial statements for the Australian Children's Performing Arts Company:

- comply with relevant Treasurer's instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards;
- are in accordance with the accounts and records of the Australian Children's Performing Arts Company; and
- present a true and fair view of the financial position of the Australian Children's Performing Arts Company as at 30 June 2015 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the Australian Children's Performing Arts Company for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Sandy Verschoor
General Manager and Producer
29 March 2016



Genevieve Booker
Finance Manager
29 March 2016



Bruce Speirs
Chair
29 March 2016



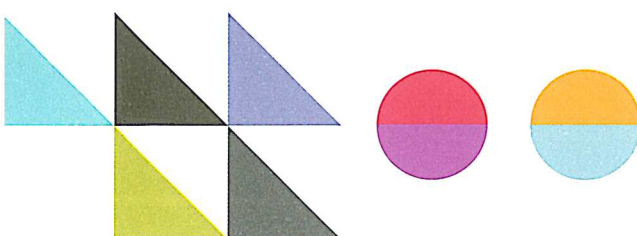
Government
of South Australia



Australian Government



Australia Council
for the Arts



Australian Children's Performing Arts Company

STATEMENT OF FINANCIAL POSITION

as at 30 June 2015

| | <i>Note</i> | 2015 \$'000 | 2014 \$'000 |
|--------------------------------------|-------------|----------------|----------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 17 | 225 | 617 |
| Loan to joint venture | 18 | 266 | - |
| Receivables | 19 | 107 | 86 |
| Other financial assets | 20 | 50 | - |
| Total Current Assets | | <u>648</u> | <u>703</u> |
| NON-CURRENT ASSETS | | | |
| Plant and equipment | 21 | 53 | 21 |
| Other financial assets | 20 | 20 | - |
| Total Non-Current Assets | | <u>73</u> | <u>21</u> |
| TOTAL ASSETS | | <u>721</u> | <u>724</u> |
| CURRENT LIABILITIES | | | |
| Payables | 23 | 162 | 133 |
| Other liabilities | 24 | 103 | 45 |
| Employee benefits | 25 | 50 | 53 |
| Total Current Liabilities | | <u>315</u> | <u>231</u> |
| NON-CURRENT LIABILITIES | | | |
| Payables | 23 | 3 | 4 |
| Employee benefits | 25 | 39 | 45 |
| Investment in joint venture | 26 | 8 | - |
| Total Non-Current Liabilities | | <u>50</u> | <u>49</u> |
| TOTAL LIABILITIES | | <u>365</u> | <u>280</u> |
| NET ASSETS | | <u>356</u> | <u>444</u> |
| EQUITY | | | |
| Retained earnings | | <u>356</u> | <u>444</u> |
| TOTAL EQUITY | | <u>356</u> | <u>444</u> |

The total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments 27

Contingent assets and liabilities 28

The above statement should be read in conjunction with the accompanying notes.

Australian Children's Performing Arts Company

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2015

| | <i>Note</i> | 2015 \$'000 | 2014 \$'000 |
|--|-------------|----------------|----------------|
| EXPENSES | | | |
| Supplies and services | 4 | 1,000 | 1,806 |
| Employee benefits expenses | 5 | 645 | 665 |
| Film investment funding | 7 | 255 | - |
| Depreciation expenses | 8 | 14 | 8 |
| Notional loss on investment in joint venture | | 8 | - |
| Total Expenses | | <u>1,922</u> | <u>2,479</u> |
| INCOME | | | |
| Program revenues | 9 | 230 | 638 |
| Commonwealth revenues | 10 | 157 | 249 |
| Private grants | 11 | 100 | 3 |
| Fundraising and donations | 12 | 90 | 16 |
| Box office revenues | 13 | 77 | 196 |
| Sponsorship | 14 | 44 | 31 |
| Other revenues | 15 | 28 | 37 |
| Total Income | | <u>726</u> | <u>1,170</u> |
| Net cost of providing services | | <u>(1,196)</u> | <u>(1,309)</u> |
| Revenues from SA Government | | | |
| Revenues from SA Government | 16 | <u>1,108</u> | <u>1,308</u> |
| NET RESULT | | <u>(88)</u> | <u>(1)</u> |
| TOTAL COMPREHENSIVE RESULT | | <u>(88)</u> | <u>(1)</u> |

The net result and total comprehensive result are attributable to the SA Government as owner.

The above Statement should be read in conjunction with the accompanying notes.

Australian Children's Performing Arts Company

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2015

| | Retained Earnings \$'000 | Total Equity \$'000 |
|---|--------------------------------|------------------------|
| Balance at 30 June 2013 | 444 | 444 |
| Net result for 2013-14 | 1 | 1 |
| Total Comprehensive Result for 2013-14 | 1 | 1 |
| Balance at 30 June 2014 | 445 | 445 |
| Adjustment for prior period error | (1) | (1) |
| Revised balance for 30 June 2014 | 444 | 444 |
| Net result for 2014-15 | (88) | (88) |
| Total Comprehensive Result for 2014-15 | (88) | (88) |
| Balance at 30 June 2015 | 356 | 356 |

All changes in equity are attributable to the SA Government as owner.

The above statement should be read in conjunction with the accompanying notes.

Australian Children's Performing Arts Company

STATEMENT OF CASH FLOWS

for the year ended 30 June 2015

| | <i>Note</i> | 2015 \$'000 | 2014 \$'000 |
|---|-------------|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash Outflows | | | |
| Employee benefit payments | | (650) | (660) |
| Payments for supplies and services | | (991) | (1,863) |
| Film investment funding | | (245) | - |
| Deposits paid | | (29) | - |
| Cash used in operations | | <u>(1,915)</u> | <u>(2,523)</u> |
| Cash Inflows | | | |
| Commonwealth receipts | | 166 | 240 |
| Box office and other receipts | | 609 | 956 |
| Interest received | | 9 | 19 |
| GST recovered from ATO | | 19 | 2 |
| Cash generated from operations | | <u>803</u> | <u>1,217</u> |
| Cash Flows from SA Government | | | |
| Receipts from SA Government | | 1,102 | 1,318 |
| Cash generated from SA Government | | <u>1,102</u> | <u>1,318</u> |
| Net Cash provided by (used in) Operating Activities | 30.2 | <u>(10)</u> | <u>12</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Cash Outflows | | | |
| Purchases of plant and equipment | | (46) | (10) |
| Investment in term deposit | | (50) | - |
| Cash used in Investing Activities | | <u>(96)</u> | <u>(10)</u> |
| Net Cash used in Investing Activities | | <u>(96)</u> | <u>(10)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Cash Outflows | | | |
| Loan to joint venture | | (266) | - |
| Bank guarantee for premises lease | | (20) | - |
| Cash used in Financing Activities | | <u>(286)</u> | <u>-</u> |
| Net Cash used in Financing Activities | | <u>(286)</u> | <u>-</u> |
| Net Increase (decrease) in cash and cash equivalents | | <u>(392)</u> | <u>2</u> |
| Cash and cash equivalents at the beginning of the period | | 617 | 615 |
| Cash and cash equivalents at the end of the period | 30.1 | <u><u>225</u></u> | <u><u>617</u></u> |

The above statement should be read in conjunction with the accompanying notes.

Australian Children's Performing Arts Company

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Objectives of the Australian Children's Performing Arts Company

The Australian Children's Performing Arts Company (ACPAC) is a subsidiary of the Minister for the Arts and was established by Regulations under the *Public Corporations Act 1993*.

ACPAC's functions are to produce, present, facilitate, manage and promote high quality performing arts productions and other arts activities for children, young people, families, schools and other groups or bodies, both within the State, nationally and internationally.

2. Summary of Significant Accounting Policies

2.1 Statement of Compliance

ACPAC has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

ACPAC has applied Australian Accounting Standards that are applicable to not-for-profit entities, as ACPAC is a not-for-profit entity.

Except for AASB 2015-7 which ACPAC has early adopted, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by ACPAC for the reporting period ending 30 June 2015 (refer to Note 3).

2.2 Basis of Accounting

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying ACPAC's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, which have been included in this financial report:
 - (a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature.
 - (b) board member and remuneration information, where a board member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

ACPAC's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable.

The Statement of Cash Flows has been prepared on a cash basis.

The financial statements have been prepared based on a twelve month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015 and the comparative information presented.

2.3 Reporting Entity and Funding Arrangements

ACPAC is a subsidiary of the Minister for the Arts and was established by Regulations under the *Public Corporations Act 1993*.

The normal business activities of ACPAC are dependent on the continuation of grants from the State Government at appropriate levels. The State Government has advised that funding of \$1,031,000 (including indexation of \$26,000) will be provided for the 2015-16 financial year. Accordingly, this financial report has been prepared on a going concern basis.

2.4 Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements has required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

2.5 Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

2.6 Taxation

The activities of ACPAC are not subject to income tax. ACPAC is liable for payroll tax, fringe benefits tax and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the amount of GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

2.7 Events after the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

2.8 Income

Income is recognised to the extent that it is probable that the flow of economic benefits to ACPAC will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Revenues from SA Government

Grants from the State government are recognised as revenue when ACPAC obtains control over the funding. Control over funding is normally obtained upon receipt, unless the grant has conditional stipulations including specified timeframes, in which case it is recognised in the Statement of Financial Position as a liability (unearned revenue) until the enforceable stipulations in the funding agreement occur or are satisfied.

Commonwealth revenues

Grants from the Commonwealth government are recognised as revenue when ACPAC obtains control over the funding. Control over grants is normally obtained upon receipt, unless the grant discloses conditional stipulations including specified project timeframes, in which case it is recognised in the Statement of Financial Position as a liability (unearned revenue) until the enforceable stipulations in the funding agreement occur or are satisfied.

ACPAC currently has a funding agreement expiring on 31 December 2016 with Australia Council for general operating purposes. Other Australia Council contributions are program and timeframe specific based upon the success of the individual grant applications.

Return on film investment funding

Return on film investment funding is recognised upon receipt.

Box office, related revenue and revenue received in advance

Box office and related revenue is recognised when a production is completed. Ticket sales for future productions and productions in progress at reporting date are recognised in the Statement of Financial Position as a liability (revenue received in advance) until the production is complete.

Resources received free of charge

Resources received free of charge are recorded as revenue in the Statement of Comprehensive Income at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

Program revenue

Program revenue is recognised when a production is completed. Presenter fees, partnership fees, royalties and cost recoveries for future productions and productions in progress at reporting date are recognised in the Statement of Financial Position as a liability (revenue received in advance) until the production is complete.

Private grants

Private grants are recognised as revenue when ACPAC obtains control over the funding. Control over grants is normally obtained upon receipt, unless the grant discloses conditional stipulations including specified project timeframes, in which case it is recognised in the Statement of Financial Position as a liability (unearned revenue) until the enforceable stipulations in the funding agreement occur or are satisfied.

Fundraising and donations

Fundraising and donations income is recognised when ACPAC obtains control over the funds. Control is normally obtained upon receipt, however when donations are received via an intermediary service this income is recognised when the intermediary received the funds.

Sponsorship

Sponsorship revenue is comprised of cash and resources in-kind. Where sponsorship is resources in-kind, it is recognised in the period that the in-kind goods or services are received.

2.9 Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from ACPAC will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Employee benefits expenses

Employee benefit expenses include all cost related to employment including salaries and wages, non-monetary benefits and leave entitlements. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by ACPAC to various superannuation plans in respect of current services of current ACPAC staff.

Film investment funding

Film investment funding is recognised as an expense when all formal contract documentation has been executed by all parties.

Depreciation

Plant and equipment, having a limited useful life, are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their service potential.

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

Depreciation of plant and equipment is calculated on a straight-line basis over the estimated useful life of the following classes of assets:

| Class of Asset | Useful life (years) |
|------------------------|----------------------------|
| Leasehold Improvements | 5 |
| Computer Equipment | 3 - 5 |
| Office Equipment | 5 - 7 |

Box office, related expenditure and prepayments

Box office and related expenditure is recognised when a production is completed. Costs for future productions and productions in progress at reporting date are recognised in the Statement of Financial Position as an asset (prepayments) until the production is complete.

Resources provided free of charge

Resources provided free of charge are recorded as expenditure in the Statement of Comprehensive Income at their fair value; and in the expense line items to which they relate.

2.10 Current and Non-Current Classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

2.11 Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position includes cash at bank and on hand and in other short-term, highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

Short term deposits with SAFA include foreign currency deposits.

For the purposes of the Statement of Cash Flows, cash and cash equivalents are as defined above.

Cash is measured at nominal value, with foreign currency deposits revalued at the spot rate at reporting date.

Loan to joint venture

Loan to joint venture is a cash loan to Girl Asleep Pty Ltd (refer to Note 18).

Receivables

Receivables include amounts receivable from sale of goods and services, prepayments and other accruals.

Receivables arise in the normal course of providing goods and services to other government agencies and to the public. Receivables are generally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that ACPAC will not be able to collect the debt. Bad debts are written off when identified.

Other financial assets

ACPAC measures other financial assets (bank guarantee and term deposit) at historical cost.

Plant and equipment

Acquisition and recognition

Plant and equipment is initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Plant and equipment is subsequently measured at fair value less accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

All plant and equipment with a value equal to or in excess of \$500 are capitalised.

Investments in associates and joint ventures

During 2014-15 ACPAC established a joint venture with Soft Tread Pty Ltd for the purpose of producing the film 'Girl Asleep'.

ACPAC's interest in the joint venture entity 'Girl Asleep Pty Ltd' has been accounted for using the equity method.

Further details on ACPAC's interest in the joint venture, including any significant judgements and assumptions used in valuing ACPAC's interest in the net assets of the joint venture are disclosed in Note 26.

Impairment

All non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Fair Value measurement

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

ACPAC classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

- Level 1 - traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 - not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 - not traded in an active market and are derived from unobservable inputs.

The valuation processes and fair value changes are reviewed by the Finance Manager and Finance Committee at each reporting date.

Non-financial assets

In determining fair value, ACPAC has taken into account the characteristics of the asset (eg. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

ACPAC's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As ACPAC did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amounts of non-financial assets with a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years' are deemed to approximate fair value.

Refer to Notes 21 and 22 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

2.12 Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Payables

Payables include creditors, accrued expenses, film investment funding payable, GST payable, employment on-costs and Paid Parental Leave Scheme payable.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of ACPAC.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefits on-costs include payroll tax, return to work premiums and superannuation contributions in respect of outstanding liabilities for salaries and wages, long service leave and annual leave.

ACPAC makes contributions to several externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation schemes.

Other liabilities

Other liabilities includes unearned revenue which is recognised in the period that the revenue relates.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement.

ACPAC has entered into an operating lease for its premises at Sturt Street, Adelaide.

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

Employee benefits

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits and short-term employee benefits are measured at nominal amounts.

Accrued salaries and wages

Liabilities for accrued salaries and wages are recognised as the amount unpaid at the reporting date and are measured at remuneration rates current at that date.

Annual Leave

The annual leave liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

Sick leave

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is recognised after an employee has completed 5 years of service. This calculation is consistent with ACPAC's experience of employee retention and leave taken.

2.13 Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

2.14 Foreign Currency

Transactions in foreign currencies are translated at rates of exchange applicable at the date the foreign currency is acquired. Gains or losses arising from translation are taken directly to revenues or expenses.

3. New and Revised Accounting Standards and Policies

ACPAC did not voluntarily change any of its accounting policies during 2014-15.

Except for AASB 2015-7, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by ACPAC for the period ending 30 June 2015. ACPAC has assessed the impact of the new and amended standards and interpretations and considers that there will be no material impact on the accounting policies or the financial statements of ACPAC.

4. *Supplies and services*

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Production costs | 290 | 431 |
| Artist / contractor expenses | 274 | 656 |
| Marketing, publicity & sponsorship expenses | 78 | 81 |
| Premises rental | 53 | 40 |
| Audit fees - Auditor-General's Department | 35 | 19 |
| Theatre costs | 31 | 233 |
| Marketing productions | 27 | 236 |
| Office fitout and moving costs (Sturt Street) | 27 | - |
| Travel & accommodation | 26 | 24 |
| In-kind advertising, marketing and events costs | 26 | - |
| Fundraising | 24 | 1 |
| Freight & postage | 23 | 17 |
| Communications | 11 | 10 |
| IT support, software & maintenance | 11 | 12 |
| Premises gas and electricity supply | 8 | 6 |
| Premises maintenance, cleaning, security | 6 | 1 |
| Staff training & development | 8 | 6 |
| Insurance | 7 | 6 |
| Other sundry expenses | 35 | 27 |
| Total Supplies and services | 1,000 | 1,806 |

5. *Employee benefits expenses*

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Salaries & wages | 524 | 524 |
| Annual and long service leave | 50 | 59 |
| Employment on-costs - superannuation | 49 | 52 |
| Employment on-costs - other | 22 | 30 |
| Total Employee Benefits Expenses | 645 | 665 |

6. *Auditor's remuneration*

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Audit fees paid/payable to the Auditor-General's Department relating to the audit of financial statements | 35 | 19 |
| Total Audit fees | 35 | 19 |

Other services

No other services were provided by the Auditor-General's Department.

Auditor's remuneration costs are recognised in the Statement of Comprehensive Income and included in supplies and services (refer to Note 4).

7. Film investment funding

| | 2015 \$'000 | 2014 \$'000 |
|----------------------------|----------------|----------------|
| 'Girl Asleep' feature film | 255 | - |
| | <u>255</u> | <u>-</u> |

Funding represents ACPAC's investment in the feature film 'Girl Asleep' pursuant to a Production Investment Agreement (PIA). The PIA entitles ACPAC to a return from the distribution of the film, in proportions set out in the PIA. Any returns from the distribution of the film will be recognised on receipt.

In addition to the \$255,000 cash funding provided to Girl Asleep Pty Ltd, during the year, ACPAC also seconded employees to work on the production of the feature film Girl Asleep. These expenses are recognised as employee benefits expenses (Note 5).

8. Depreciation expenses

| | 2015 \$'000 | 2014 \$'000 |
|------------------------------------|----------------|----------------|
| Leasehold improvements | 2 | - |
| Office equipment | 6 | 2 |
| Computer equipment | 6 | 6 |
| Total Depreciation Expenses | <u>14</u> | <u>8</u> |

9. Program revenues

| | 2015 \$'000 | 2014 \$'000 |
|-------------------------------|----------------|----------------|
| Presenter fees | 148 | 380 |
| Program partnerships | 35 | 230 |
| Other program recoveries | 47 | 28 |
| Total Program revenues | <u>230</u> | <u>638</u> |

Program partnerships

During the year productions had 1 major program partner. In 2013-14 there was also 1 major program partner.

Presenter fees

During the year Presenters paid for a number of productions to tour in the following locations:

| | 2015 No. | 2014 No. |
|---|-------------|-------------|
| National | 1 | 4 |
| International | 2 | - |
| Total number of production tours | <u>3</u> | <u>4</u> |

10. Commonwealth revenues

| | 2015 \$'000 | 2014 \$'000 |
|--------------------------------------|----------------|----------------|
| Australia Council: | | |
| General | 157 | 156 |
| Special purpose grants - productions | - | 80 |
| Austrade: | | |
| Special purpose grants - productions | - | 13 |
| Total Commonwealth revenues | <u>157</u> | <u>249</u> |

11. Private grants

| | 2015 \$'000 | 2014 \$'000 |
|-----------------------------|----------------|----------------|
| Trusts & foundations | 80 | 3 |
| Other private grants | 20 | - |
| Total Private grants | 100 | 3 |

12. Fundraising and donations

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| Fundraising events | 68 | - |
| Donations | 22 | 16 |
| Total Fundraising and donations | 90 | 16 |

13. Box office revenues

| | 2015 \$'000 | 2014 \$'000 |
|----------------------------------|----------------|----------------|
| Box office income | 77 | 196 |
| Total box office revenues | 77 | 196 |

14. Sponsorship

| | 2015 \$'000 | 2014 \$'000 |
|------------------------------------|----------------|----------------|
| Sponsorship - commercial | 18 | 30 |
| Sponsorship - commercial - in kind | 26 | 1 |
| Total Sponsorship | 44 | 31 |

15. Other revenues

| | 2015 \$'000 | 2014 \$'000 |
|-----------------------------|----------------|----------------|
| Interest | 9 | 19 |
| Education | 9 | 13 |
| Foreign exchange gain | 6 | - |
| Miscellaneous revenue | 4 | 5 |
| Total Other revenues | 28 | 37 |

16. Revenues from SA Government

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Operating grant | 1,040 | 1,025 |
| Special purpose grants - productions | 15 | 283 |
| Special purpose grants - Sturt Street office move | 53 | - |
| Total Revenues from SA Government | 1,108 | 1,308 |

17. Cash and cash equivalents

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| Cash on hand | 2 | 3 |
| Short term deposit - SAFA | - | 397 |
| Cash at bank | 223 | 217 |
| Total Cash and cash equivalents | 225 | 617 |

Interest rate risk

Cash on hand is non-interest bearing. Cash at bank earns interest, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

18. Loan to joint venture

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| Loan to Girl Asleep Pty Ltd | 266 | - |
| Total Loan to Girl Asleep Pty Ltd | 266 | - |

This loan will be repaid when 'Girl Asleep Pty Ltd' receives the Producers Offset from the Australian Taxation Office on lodging of their 2014-15 tax return.

Refer to Note 33 for events after the end of reporting period.

19. Receivables

| | 2015 \$'000 | 2014 \$'000 |
|------------------------------------|----------------|----------------|
| Prepayments for future productions | 37 | 69 |
| Other prepayments | 2 | 2 |
| Security deposits paid | 29 | - |
| Debtors | 39 | 15 |
| Total Receivables | 107 | 86 |

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables and prepayments are non-interest bearing.

It is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to Note 32 for maturity analysis of receivables, categorisation of financial instruments and risk exposure information.

20. Other financial assets

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Current | | |
| Term deposit - Bendigo Bank | 50 | - |
| Total Current Other financial assets | 50 | - |
| Non-Current | | |
| Bank guarantee - Commonwealth Bank | 20 | - |
| Total Non-Current Other financial assets | 20 | - |
| Total Other financial assets | 70 | - |

Term deposit

Term deposit term is 9 months. The funds of \$50,000 were lodged 18 February 2015, with interest of 3% payable at the conclusion of the term.

Bank Guarantee

A bank guarantee was provided 5 January 2015, to the landlords of 2/234 Sturt Street, Adelaide SA 5000, as security for the premises lease. The amount of \$19,506.23 represents three months rent plus outgoings.

21. Plant and equipment

| | 2015 \$'000 | 2014 \$'000 |
|----------------------------------|------------------|------------------|
| Leasehold improvements | 17 | - |
| Accumulated depreciation | (2) | - |
| | <u>15</u> | <u>-</u> |
| Office equipment at cost | 53 | 33 |
| Accumulated depreciation | (27) | (21) |
| | <u>26</u> | <u>12</u> |
| Computer Equipment at cost | 56 | 47 |
| Accumulated depreciation | (44) | (38) |
| | <u>12</u> | <u>9</u> |
| Total Plant and equipment | <u>53</u> | <u>21</u> |

Carrying amount of plant and equipment

All items of plant and equipment had a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years', and have not been revalued in accordance with APF III. The carrying value of these items are deemed to approximate fair value.

These assets are classified in level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the assets condition and remaining useful life.

Impairment

There were no indications of impairment of plant and equipment at 30 June 2015.

Reconciliation of Plant and Equipment

The following table shows the movement in plant and equipment during the reporting period:

| | Leasehold improvements \$'000 | Office equipment \$'000 | Computer equipment \$'000 | Total \$'000 |
|---|-------------------------------------|-------------------------------|---------------------------------|------------------|
| 2014-15 | | | | |
| Carrying amount at the beginning of the period | - | 12 | 9 | 21 |
| Acquisitions | 17 | 20 | 9 | 46 |
| Depreciation expenses | (2) | (6) | (6) | (14) |
| Carrying amount at the end of the period | <u>15</u> | <u>26</u> | <u>12</u> | <u>53</u> |
| | Leasehold improvements | Office equipment \$'000 | Computer equipment \$'000 | Total \$'000 |
| 2013-14 | | | | |
| Carrying amount at the beginning of the period | - | 7 | 11 | 18 |
| Acquisitions | - | 7 | 4 | 11 |
| Depreciation expenses | - | (2) | (6) | (8) |
| Carrying amount at the end of the period | <u>-</u> | <u>12</u> | <u>9</u> | <u>21</u> |

22. Fair Value Measurement

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. ACPAC categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement.

Fair value measurement recognised in the balance sheet are categorised into level 3 at 30 June 2015.

ACPAC had no valuations categorised into level 1 and 2.

| | 2015 Level 3 \$'000 | 2014 Level 3 \$'000 |
|--|---------------------------|---------------------------|
| Recurring fair value measurements | | |
| Plant and equipment (Note 21) | 53 | 21 |
| Total recurring fair value measurements | 53 | 21 |

There were no transfers of assets between fair value hierarchy levels in 2015. ACPAC's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Reconciliation of fair value measurements - Level 3

| | 2015 Plant and Equipment \$'000 | 2014 Plant and Equipment \$'000 |
|---|--|--|
| Opening balance at the beginning of the period | 21 | 18 |
| Acquisitions | 46 | 11 |
| Total gains (losses) for the period recognised in net result: | | |
| Depreciation | (14) | (8) |
| Closing balance at the end of the period | 53 | 21 |

23. Payables

| | 2015 \$'000 | 2014 \$'000 |
|-----------------------------------|----------------|----------------|
| Current | | |
| Creditors | 31 | 80 |
| GST payable | 9 | 16 |
| Employment on-costs | 16 | 9 |
| Paid parental leave payable | - | 2 |
| Accrued expenses | 96 | 26 |
| Film investment funding payable | 10 | - |
| Total Current Payables | 162 | 133 |
| Non-current | | |
| Employment on-costs | 3 | 4 |
| Total Non-Current Payables | 3 | 4 |
| Total Payables | 165 | 137 |

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Creditors are normally settled within 30 days. Employment on-

Film investment funding payable

Remaining film investment funding payable for the film 'Girl Asleep'.

Refer to Note 32 for maturity analysis of payables, categorisation of financial instruments and risk exposure information.

24. Other liabilities

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Revenue received in advance | 59 | 23 |
| Unearned revenue - SA Govt special purpose grants | 4 | 10 |
| Unearned revenue - sponsorship | - | 5 |
| Unearned revenue - fundraising | - | 7 |
| Unearned revenue - trusts & foundations | 40 | - |
| Total Other liabilities | 103 | 45 |

Unearned revenue - Government grants

The contributions disclosed have conditional stipulations attached, including specified project timeframes and unspent contributions must be returned to the contributor.

25. Employee benefits

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| Current | | |
| Accrued salaries & wages | 4 | 2 |
| Annual leave | 46 | 51 |
| Total Current Employee benefits | 50 | 53 |
| Non-current | | |
| Long service leave | 39 | 45 |
| Total Non-current Employee Benefits | 39 | 45 |
| Total Employee benefits | 89 | 98 |

26. Interest in a joint venture

In 2014, ACPAC and Soft Tread Pty Ltd formed a joint venture company 'Girl Asleep Pty Ltd' with 50% interest each. The entity was established to produce the feature film 'Girl Asleep' which will premiere at the Adelaide Film Festival in October 2015.

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| Statement of Financial Position | | |
| Current assets | 749 | - |
| Non-current assets | - | - |
| Current liabilities | 765 | - |
| Non-current liabilities | - | - |
| Equity | (16) | - |
| ACPAC's carrying amount of the investment | (8) | - |
| | 2015 \$'000 | 2014 \$'000 |
| Statement of Comprehensive Income | | |
| Income | 1,466 | - |
| Expense | (1,462) | - |
| Administrative expenses | (17) | - |
| Net loss | (13) | - |
| Income tax expense | (3) | - |
| Loss for the year (continuing operations) | (16) | - |
| ACPAC's share of loss for the year | (8) | - |

Girl Asleep Pty Ltd had no contingent liabilities or capital commitments as at 30 June 2015. Girl Asleep Pty Ltd cannot distribute its profits without the consent of the two venture partners.

27.1 Operating lease commitments

Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Not later than one year | 72 | 62 |
| Later than one year and not later than five years | 273 | 354 |
| Total Operating Lease Commitments | 345 | 416 |

The commitments disclosed in 2015 represents ACPAC'S lease of office accommodation from Lin Andrews at 2/234 Sturt Street, Adelaide. The amounts disclosed in 2014 represents ACPAC's lease of office accommodation from Arts SA, and electricity oncosts to 31 December 2014, and lease and outgoings for 2/234 Sturt Street, Adelaide from 2 January 2015. The Sturt Street lease is non cancellable and expires on 1 January 2020. Rent is payable in advance and a rent review of 3% will occur on 2 January 2016, 2 January 2017, and 4% thereafter with review to market on renewal dates.

27.2 Expenditure commitments - Remuneration

Commitments for the payment of salaries and other remuneration under fixed-term employment contracts in existence at the reporting date but not recognised as liabilities are payable as follows:

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Supplies and services - artist/contractor expenses | | |
| Not later than one year | 160 | 53 |
| Later than one year and not later than five years | - | - |
| Total Artist/Contractor Remuneration commitments | 160 | 53 |

Employee benefits expenses

| | | |
|---|------------|--------------|
| Not later than one year | 491 | 584 |
| Later than one year and not later than five years | 408 | 568 |
| Total Employee Benefits Remuneration Commitments | 899 | 1,152 |

ACPAC reports program specific salary expenses at 'Supplies and Services - Artist/Contractor Expenses' and core employees on contracts of 12 months or greater at 'Employee Benefits Expenses' in the Statement of Comprehensive Income. ACPAC does not offer fixed-term remuneration contracts greater than three years.

27.3 Expenditure commitments - loan to joint venture

| | 2015 \$'000 | 2014 \$'000 |
|----------------------------|----------------|----------------|
| Girl Asleep Pty Ltd | | |
| Not later than one year | 142 | - |
| | 142 | - |

ACPAC have committed to providing a further \$141,749 to Girl Asleep Pty Ltd, to be repaid when 'Girl Asleep Pty Ltd' receives the Producers Offset from the Australian Taxation Office on lodging of their 2014/15 tax return.

28. Contingent assets and liabilities

ACPAC is a guarantor for Girl Asleep Pty Ltd's \$250,000 loan facility with Bendigo Bank which was drawdown on 4th June 2015. ACPAC'S liability is limited to the loan amount, plus any interest, costs and expenses (including Enforcement Expenses) and tax payable. Refer to Note 33 for events after reporting date.

ACPAC is not aware of any other contingent assets and liabilities.

29. Remuneration of Board Members

Members of the Board of Directors during the reporting period were:

Ms Ginger Fitzpatrick (Chair), (retired 30 June 2015)
Ms Marion Potts (retired 8 March 2015)
Mr David Spear (resigned 7 March 2015)
Mr Bruce Speirs
Ms Jane Thompson
Ms Louise Walters (retired 12 April 2015)
Ms Helen Wildash

No members of the Board of Directors received remuneration from ACPAC during the reporting period ended 30 June 2015 (2014: Nil).

Except for members of the Board of Directors receiving complimentary tickets to each production, transactions with members are on conditions no more favourable than those that it is reasonable to expect ACPAC would have adopted if dealing with the related party at arm's length in the same circumstances.

30. Cash Flow Reconciliation

30.1 Reconciliation of cash and cash equivalents at the end of the reporting period

| | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| Cash and cash equivalents disclosed in the Statement of Financial Position | <u>225</u> | <u>617</u> |
| Balance as per the Statement of Cash Flows | <u>225</u> | <u>617</u> |

30.2 Reconciliation of net cash provided by (used in) operating activities to net cost of providing services

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Net cash provided by (used in) operating activities | (10) | 12 |
| Less revenues from SA Government | (1,108) | (1,308) |
| Add/(less) non cash items | | |
| Sponsorship - commercial - in kind | 26 | 1 |
| Notional loss on investment in joint venture | (8) | - |
| Marketing production expense | (26) | (1) |
| Depreciation | (14) | (8) |
| Movement in assets and liabilities | | |
| Increase/(decrease) in receivables | 21 | (46) |
| (Increase)/decrease in payables | (86) | 48 |
| (Increase)/decrease in employee benefits | 9 | (7) |
| Net cost of providing services | <u>(1,196)</u> | <u>(1,309)</u> |

31. Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

| Note | SA Government | | Non-SA Government | | Total | |
|------------------------------|---|----------------|-------------------|----------------|----------------|----------------|
| | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 | 2015 \$'000 | 2014 \$'000 |
| EXPENSES | | | | | | |
| 4 | Supplies and services: | | | | | |
| | Production costs | 117 | 273 | 314 | 290 | 431 |
| | Artist / contractor expenses | 31 | 242 | 625 | 274 | 656 |
| | Marketing, publicity & sponsorship expenses | - | 78 | 81 | 78 | 81 |
| | Premises rental | 40 | 34 | - | 53 | 40 |
| | Theatre costs | 196 | 13 | 37 | 31 | 233 |
| | Marketing productions | 10 | 25 | 226 | 27 | 236 |
| | Office fitout and moving costs (Sturt Street) | - | 27 | - | 27 | - |
| | Travel & accommodation | - | 26 | 24 | 26 | 24 |
| | In-kind advertising, marketing and events costs | - | 26 | - | 26 | - |
| | Fundraising | - | 24 | 1 | 24 | 1 |
| | Freight & postage | 2 | 22 | 15 | 23 | 17 |
| | Audit fees - Auditor-General's Department | 19 | - | - | 35 | 19 |
| | Communications | 7 | 8 | 3 | 11 | 10 |
| | IT support, software & maintenance | - | 11 | 12 | 11 | 12 |
| | Premises gas and electricity supply | 5 | 5 | 1 | 8 | 6 |
| | Premises maintenance, cleaning, security | 1 | 5 | - | 6 | 1 |
| | Staff training & development | - | 8 | 6 | 8 | 6 |
| | Insurance | 6 | - | - | 7 | 6 |
| | Other sundry expenses | 6 | 33 | 21 | 35 | 27 |
| 5 | Employee benefits expense | 31 | 625 | 634 | 645 | 665 |
| 7 | Film investment funding | - | 255 | - | 255 | - |
| 8 | Depreciation expenses | - | 14 | 8 | 14 | 8 |
| 26 | Notional loss on investment in joint venture | - | 8 | - | 8 | - |
| | TOTAL EXPENSES | 471 | 1,762 | 2,008 | 1,922 | 2,479 |
| INCOME | | | | | | |
| 9 | Program revenues | 169 | 195 | 469 | 230 | 638 |
| 10 | Commonwealth revenues | - | 157 | 249 | 157 | 249 |
| 11 | Private grants | - | 100 | 3 | 100 | 3 |
| 12 | Fundraising and donations | - | 89 | 16 | 90 | 16 |
| 13 | Box office revenues | 195 | 3 | 1 | 77 | 196 |
| 14 | Sponsorship | - | 44 | 31 | 44 | 31 |
| 15 | Other revenues | 7 | 27 | 30 | 28 | 37 |
| 16 | Revenues from SA Government | 1,108 | - | - | 1,108 | 1,308 |
| | TOTAL INCOME | 1,679 | 615 | 799 | 1,834 | 2,478 |
| FINANCIAL ASSETS | | | | | | |
| 18 | Loan to joint venture | - | 266 | - | 266 | - |
| 19 | Receivables: | | | | | |
| | Security deposits paid | - | - | - | 29 | - |
| | Debtors | - | 38 | 15 | 39 | 15 |
| 20 | Other financial assets | - | 70 | - | 70 | - |
| | TOTAL FINANCIAL ASSETS | - | 374 | 15 | 404 | 15 |
| FINANCIAL LIABILITIES | | | | | | |
| 23 | Payables: | | | | | |
| | Creditors | 26 | 28 | 54 | 31 | 80 |
| | GST payable | - | 9 | 16 | 9 | 16 |
| | Employment on-costs | 7 | 13 | 6 | 19 | 13 |
| | Centrelink Paid Parental Leave Payable | - | - | 2 | - | 2 |
| | Accrued expenses | 22 | 39 | 4 | 96 | 26 |
| | Film investment funding payable | - | 10 | - | 10 | - |
| | TOTAL FINANCIAL LIABILITIES | 55 | 99 | 82 | 165 | 137 |

32. Financial Instruments/Financial Risk Management

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset and financial liability are disclosed in Note 2 Summary of Significant Accounting Policies.

| Category | Statement of Financial Position line item | Note | Carrying amount | Carrying amount |
|------------------------------|--|------|-----------------|-----------------|
| | | | 2015 \$'000 | 2014 \$'000 |
| Financial Assets | | | | |
| Cash and cash equivalents | Cash and cash | 17 | 225 | 617 |
| Loan to joint venture | Loan to joint venture | 18 | 266 | - |
| Receivables | Receivables (1) (2) | 19 | 68 | 15 |
| Other financial assets | Other financial assets | 20 | 70 | - |
| Financial Liabilities | | | | |
| Payables | Payables (1) | 23 | 90 | 79 |
| Other liabilities | Other liabilities | 24 | 103 | 44 |

- (1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from the amortised cost).
- (2) Receivables amount disclosed here excludes prepayments. Prepayments are presented in Note 19 as Prepayments for future productions and Other Prepayments in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

Fair Value

ACPAC does not recognise any financial assets or financial liabilities at fair value (refer to Note 2 Summary of Significant Accounting Policies and Notes 17, 18, 19, 20, 23 and 24).

Credit Risk

Credit risk arises when there is the possibility of ACPAC's debtors defaulting on their contractual obligations resulting in financial loss to ACPAC. ACPAC measures credit risk on a fair value basis and monitors risk on a regular basis.

The carrying amount of financial assets as detailed in the Categorisation of financial instruments table, represents ACPAC's maximum exposure to credit risk.

No collateral is held as security and no credit enhancements relate to financial assets held by ACPAC.

ACPAC credit risk is concentrated due to the loan to Girl Asleep Pty Ltd, which is separately disclosed in the table above, and at Note 18. This loan was fully repaid on 3 December 2015 (refer Note 33).

ACPAC has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. ACPAC does not engage in high risk hedging for its financial assets.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. There is no evidence to indicate that ACPAC's financial assets are impaired.

Ageing analysis of financial assets

The following table discloses the ageing of financial assets (current and past due).

| | Current (not overdue) \$'000 | Past due by | | | Total \$'000 |
|----------------------------|------------------------------------|------------------------------------|---------------------------------------|-----------------------------------|-----------------|
| | | Overdue for < 30 days \$'000 | Overdue for 30 - 60 days \$'000 | Overdue for >60 days \$'000 | |
| 2015 | | | | | |
| Not impaired | | | | | |
| Loan to joint venture | 266 | - | - | - | 266 |
| Receivables (1) | 65 | | | 3 | 68 |
| Other financial assets (1) | 70 | - | - | - | 70 |
| 2014 | | | | | |
| Not impaired | | | | | |
| Receivables (1) | 15 | - | - | - | 15 |

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax, audit receivables/payables etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. They are carried at cost.

Maturity analysis of financial assets and liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

| | Carrying amount \$'000 | Contractual maturities | |
|------------------------------------|------------------------------|------------------------|---------------------|
| | | < 1 year \$'000 | 1-5 years \$'000 |
| 2015 | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 225 | 225 | - |
| Loan to joint venture | 266 | 266 | - |
| Receivables | 68 | 68 | - |
| Other financial assets | 70 | 50 | 20 |
| Total Financial Assets | 629 | 609 | 20 |
| Financial Liabilities | | | |
| Payables | 90 | 90 | - |
| Other liabilities | 103 | 103 | - |
| Total Financial Liabilities | 193 | 193 | - |

| | Carrying amount \$'000 | Contractual maturities | |
|------------------------------------|------------------------------|------------------------|---------------------|
| | | < 1 year \$'000 | 1-5 years \$'000 |
| 2014 | | | |
| Financial Assets | | | |
| Cash and cash equivalents | 617 | 617 | - |
| Receivables | 15 | 15 | - |
| Other financial assets | - | - | - |
| Total Financial Assets | 632 | 632 | - |
| Financial Liabilities | | | |
| Payables | 79 | 79 | - |
| Other liabilities | 44 | 44 | - |
| Total Financial Liabilities | 123 | 123 | - |

Liquidity Risk

Liquidity risk arises where ACPAC is unable to meet its financial obligations as they are due to be settled.

ACPAC is funded principally from SA Government grants. ACPAC has implemented financial management practices including budget setting and monitoring arrangements to provide assurance that cashflows from operations, including funding from the SA Government, are sufficient to meet expected cash outflows.

ACPAC settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

ACPAC's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

The carrying amount of financial liabilities recorded in the Categorisation of financial instruments table represent ACPAC's maximum exposure to financial liabilities.

Market risk

Market risk for ACPAC is primarily through interest rate risk. ACPAC has minimal exposure to foreign currency or other price risks. In 2013-14, ACPAC's exposure to foreign currency risks was limited to its short-term deposit of USD 40,000 held with SAFA. The account was closed out in March 2015. In 2014-15, ACPAC has not entered into any foreign currency contracts. ACPAC has minimum exposure to other price risks.

Sensitivity Disclosure Analysis

A sensitivity analysis has not been undertaken over ACPAC'S interest rate risk as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

33. Events after the end of reporting period

Pursuant to the PIA, ACPAC agreed to loan \$407,699 to Girl Asleep Pty Ltd. As at 30 June 2015, ACPAC paid out \$265,950 to Girl Asleep Pty Ltd, with a further \$141,749 paid in 2015-16.

On 3 December 2015, ACPAC's loan to Girl Asleep Pty Ltd totalling \$407,699 was repaid in full.

Girl Asleep Pty Ltd's \$250,000 bank loan from Bendigo Bank (that ACPAC was guarantor) was also repaid on 2nd December 2015.